Keppel Corporation

Presentation to Investors

New York & Boston

24-25 May 2022

Accelerating Vision 2030 execution

Keppel made strong progress in executing Vision 2030, despite volatile market conditions and operational challenges imposed by COVID-19.



Driving business transformation & earnings growth

Good progress in asset monetisation

Making sustainability our business

Driving integration & harnessing synergies

Driving business transformation organically & inorganically

Simplifying and focusing Keppel's business

- Signed definitive agreements[i] for proposed combination of Keppel O&M and Sembcorp Marine and sale of Keppel O&M's legacy rigs and associated receivables to Asset Co
- Signed agreement to divest Keppel Logistics[ii]

Driving innovation and transformation in business units

- Pivoting to asset-light business model; tapping third-party funds for growth
- Seizing new opportunities across renewables, clean energy, decarbonisation, sustainable urban renewal and connectivity



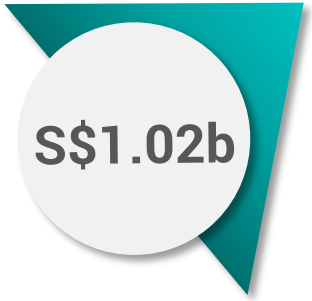
Keppel is exploring greener solutions such as energy-efficient floating data centre parks, as well as climate-resilient nearshore urban developments, or "floating cities" (in picture).

[i] *Transactions subject to, among other conditions, relevant regulatory and shareholder approvals*
[ii] *Includes Keppel Logistics' businesses in Singapore, Malaysia and Australia, as well as UrbanFox*

Strong earnings growth: sharp reversal from loss in FY20 FY21 net profit crossed S$1b for first time since 2015.

- *All segments performed better yoy for FY21, contributing to ROE of 9.1%.*

Net profit



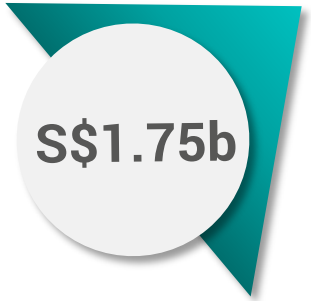
Sharp reversal from net loss of S$506m for FY20

Net gearing



Improved from 0.91x as at end-Dec 2020

Free cash inflow



Improved from outflow of S$72m in FY20

FY21 total dividend of 33.0 cts/share

- Includes final dividend of 21.0 cts/share, up from 7.0 cts/share in 2020
- Dividend yield of 6.4% based on last traded price in 2021

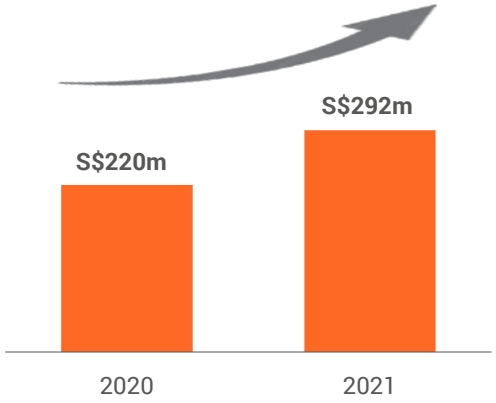
S$500m Share Buyback Programme

- 29 million shares amounting to S$176m purchased from Jan-Apr 2022
- Share purchase mandate raised from 2% to 5% to support and accelerate share buyback

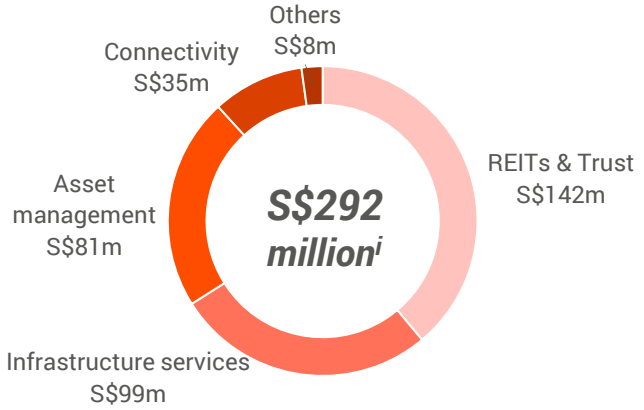
Growing recurring income in line with Vision 2030

Higher recurring income underpinned by stronger contributions from asset management and REITs & Trust.

Recurring income grew 33% yoy in FY21



Recurring income in FY21

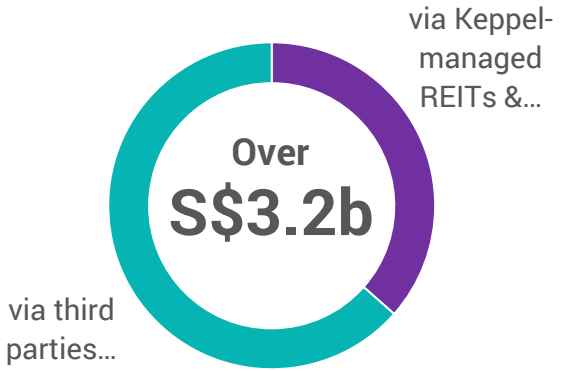


[i] *Includes losses from Rental & Charter and Hospitality in FY21*

Strong progress in asset monetisation

- *Asset monetisation will be a consistent feature of Keppel's business model going forward*
- *Capital unlocked will be used to fuel growth plans and reward shareholders*

Announced monetisation
from Oct 2020 to end-Mar 2022



S$2.8b in cash collected from Oct 2020 to end-Mar 2022



Monetisable Assets
S$17.5b[i]

assets across the Group that can potentially be monetised

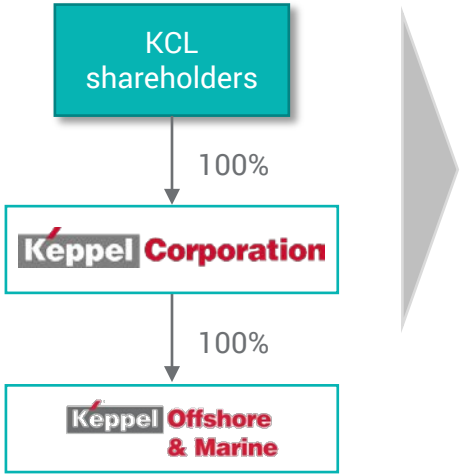
Near-term Target
S$5.0b

On track to exceed higher end of S$3-S$5b monetisation target by end-2023

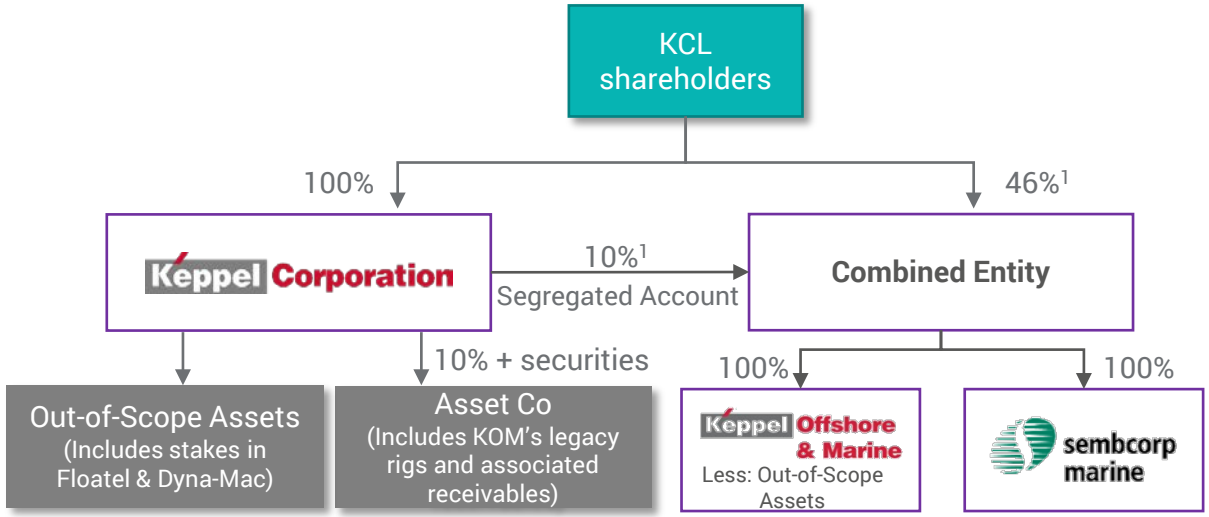
[i] *Announced in Sep 2020, based on the Group's balance sheet as at 30 Jun 2020*

Simplifying business and realising value from proposed combination of Keppel O&M & Sembcorp Marine and resolution of legacy rigs

Current structure



Post-transaction structure



- KOM (excluding KOM's legacy rigs & associated receivables and certain Out-of-Scope assets e.g. Floatel and Dyna-Mac) will combine with SCM
- KCL will receive 56% stake in Combined Entity and S$0.5b in cash. KCL will distribute in-specie 46% stake in Combined Entity to KCL's shareholders ("DIS")
- KOM's legacy rigs and associated receivables will be sold to a new and separate entity ("Asset Co"), which will be 90%-owned by external investors

[1] *Portion of shares allotted to KCL, representing 10% of issued shares of the Combined Entity, will be put into a segregated account for certain identified contingent liabilities for a period of up to 48 months from the completion of the Proposed Combination*

Realisable value and financial impact

Keppel Corporation

Excluding:

Keppel Offshore & Marine

Including Out-of-Scope Assets comprising mainly: Floatel & Dyna-Mac

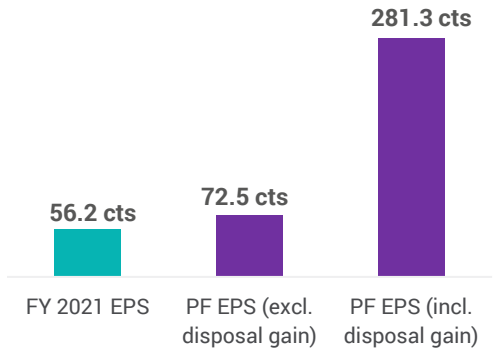
S$0.3b

+

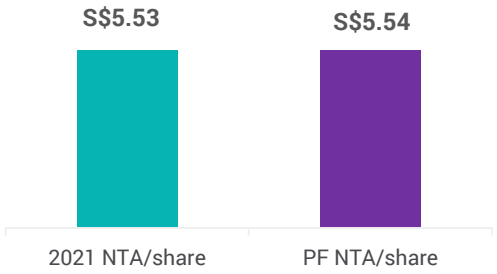
Realisable value: c.S$9.42b

Asset Co		Combination transaction		
S$4.05b	+	S$4.87b[1] in Combined Entity Shares	+	S$0.5b Cash

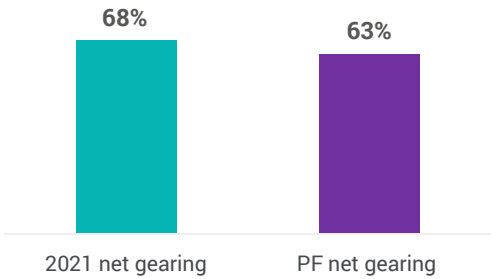
KCL's EPS[2, 3]



KCL's NTA/share[2, 3]



KCL's net gearing ratio[2, 3]



[1] The sum of S$4.87 billion, which is represented as the value attributable to 56% equity interest in the Combined Entity ("Pro Forma Value"), is computed based on (1) the assumption that 39,949,762,557 shares will be issued by Combined Entity to Keppel representing 56% of the issued and paid-up share capital of the Combined Entity, (2) the Sembcorp Marine shareholders being issued with, in aggregate, 44% of the issued and paid-up share capital of the Combined Entity, which for the purpose of the computation, is assumed to be the same number of shares, being 31,389,099,152 as held by Sembcorp Marine shareholders as at 26 April 2022 (the "Last Market Day"), being the last trading day immediately prior to the date of the Joint Announcement and the Keppel Announcement (as defined in Slide 16 of this presentation); and (3) S$0.122, being the volume weighted average price ("VWAP") of Sembcorp Marine shares for the last 10 trading days up to and including the Last Market Day. [2] For the purpose of the pro forma ("PF") financial effects, PF EPS assumes the proposed transactions are completed on 1 January 2021 while PF NTA and net gearing assume the proposed transactions and proposed DIS are completed on 31 December 2021. The PF EPS (including disposal gain) is computed based on PF net profit of approximately S$5.1 billion. [3] For the purpose of the PF financial effects, the net disposal gain arising from the proposed transactions and the value of the proposed DIS are based on the Pro Forma Value. In this regard, the actual net disposal gain and the value of the DIS on completion of the proposed transactions and proposed DIS will depend on the last traded price of the shares of Combined Entity on the first market day immediately following the date of such completion and the actual number of Combined Entity Shares to be issued on such completion which may not be the same as that used in this presentation of PF financial effects.

Seizing opportunities in renewables, clean energy, decarbonisation & environmental solutions

Growing renewables portfolio

Announced capacity **1.1GW** » Target **7GW** by 2030

- Announced acquisition of 51% stake in Cleantech Renewable Assets and 50% direct interest in its asset company, Cleantech Solar Asia
- Developing a 500MW greenfield solar farm in Queensland, Australia with Harlin Solar

Pursuing strong pipeline of deals spanning solar, wind, new energy, energy storage systems across Europe & Asia





Actively pursuing opportunities such as importing **renewable power** to Singapore, developing **EV charging** infrastructure, secured first **Energy-as-a-Service** contract, and studying feasibility of APAC **green ammonia supply chain** among others.

Driving Keppel Land's transformation into an asset-light urban space solutions provider

Keppel Land completed monetisation with total proceeds of ~S$2.0b and net gains of over S$450m since Oct 2020.



Residential portfolio held at historical cost of ~S$3.8b had a **market value of ~S$6.6b** as at end-2021



Commercial portfolio has **GFA of ~1.6 million sm**; ~48% of which under development



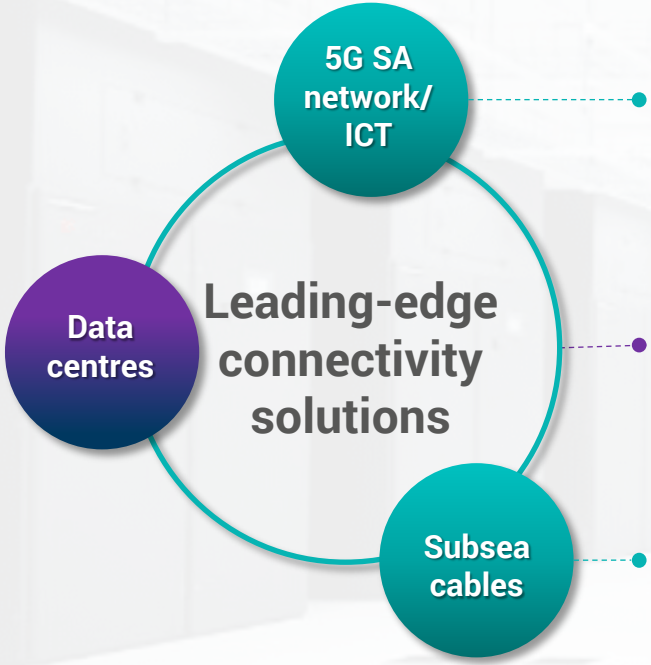
Embracing new business models such as **Real Estate as a Service** and leveraging **new technologies and AI** to grow **recurring income**



Advancing **sustainable urban renewal**, e.g. Keppel Bay Tower, Singapore's first BCA Platinum Zero Energy commercial building

Expanding connectivity solutions offerings

- *COVID-19 further drove demand for digital connectivity solutions.*



5G

- M1's 5G SA network rollout progressing well, achieved over 65% outdoor coverage in Singapore as at end-Mar 2022
- 2nd largest postpaid customer base in Singapore
- Enterprise business revenue grew 37% yoy in FY21

- Expanded the Group's portfolio to 28 data centres with 4 projects across China & the Netherlands
- Developing floating data centre design and green data centre park concept to support Singapore's digital needs while reducing carbon emissions

- Strong demand for Bifrost Cable System - world's largest capacity high-speed transmission cable across the Pacific Ocean, with 3 of Keppel's fibre pairs committed

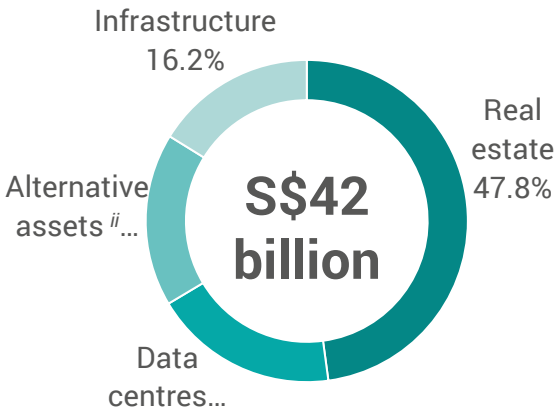
Growing asset management business with AUM increasing 14% yoy in 2021

- *Keppel Capital raised total equity of about S$3.5b in FY21.*
- *Completed around S$5.5b in acquisitions and divestments in FY21.*

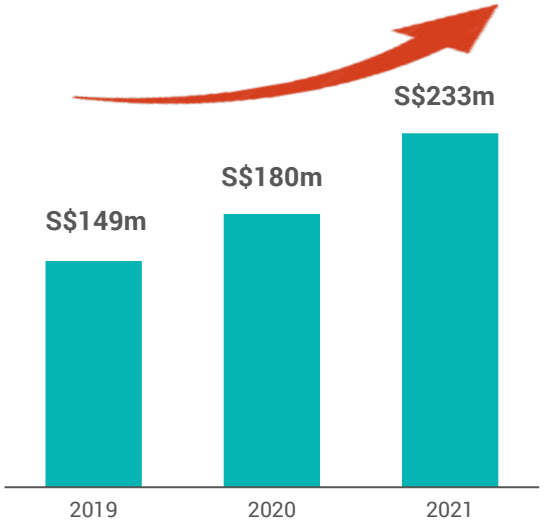
S$42b

AUM as at end-2021 includes new funds across infrastructure and alternative asset classes

Assets under management (AUM)
by asset class [i]



Asset management fees [iii] grew ~29% yoy for FY21



[i] *Comprises listed REITs/Trust and private funds.*
[ii] *Includes senior living, education and logistics vehicles, as well as private credit fund.*
[iii] *Includes 100% fees from subsidiary managers, joint ventures and associated entities, as well as share of fees based on shareholding stake in associate with which Keppel has strategic alliance.*

Investments into new technology & startups bearing fruit

- *Gaining early access to high value IP and technology, as well as innovation teams in areas aligned to Vision 2030.*

Fund investments

iglobepartners	FIFTH WALL	wavemaker PARTNERS	vertex VENTURES
Early-mid stage growth technology	Prop Tech	Enterprise & Deep Tech	China Tech startups

Direct investments

Envision AESC	cove SMARTWORKS	ZA	NAUTILUS DATA TECHNOLOGIES
EV batteries & energy storage systems	Co-living and flexible space solutions	Environmental technology	Water cooling technology for data centres

Investments have yielded attractive gains

- ✓ **Envision AESC**: Keppel's investment value grew to US$244m as at FY21, from US$50m in 2019.
- ✓ **iGlobe Partners Platinum Fund I** [i]: S$66.6m in total distribution received from S$5m investment since 2010.

[i] *The fund's life had concluded as at 31 Dec 2021.*

Strong progress in other non-financial Vision 2030 targets

- *Sustainability will increasingly be a central part of Keppel's purpose and corporate identity.*

Advancing sustainability goals

- Committed to halve Scope 1 & 2 carbon emissions by 2030 and achieve net zero by 2050
- Established Board Sustainability & Safety Committee with effect from 1 May 2022 to bolster focus on sustainability

Driving innovation

- Digitalisation
- Business model innovation
- Establishment of Keppel Energy Transition Centre

Developing human capital

- Scored 84% in 2021 Employee Engagement Survey, 6% above Mercer's Singapore average and 4% above global average
- Strengthened succession planning

Strengthening governance

- Retained MSCI AAA ESG rating
- Singapore Corporate Governance Award 2021

Championing safety

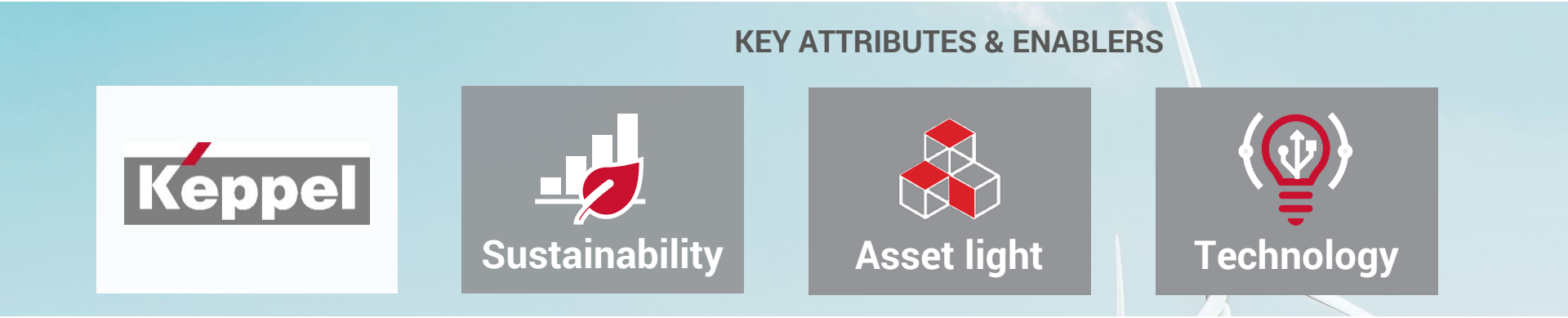
- Achieved zero-fatality target in 2021
- Improvements across Total Recordable Injury, Accident Frequency and Accident Severity Rates

Contributing to the community

- S$4.6m in social investment spending in FY21
- More than 12,000 volunteer hours in 2021

In conclusion

- *Guided by Vision 2030, Keppel will emerge stronger, more relevant, and on a faster growth path.*



>S$1 billion FY21 net profit, sharp yoy improvement

>S$3.2 billion Assets monetised since Oct 2020

33.0 cts/share Strong dividend growth for FY21 vs 10.0cts/share for FY20

Disclaimer

This presentation may contain forward-looking statements which are subject to risks and uncertainties that could cause actual results to differ materially from such statements. Such risks and uncertainties include those arising from COVID-19, industry and economic conditions, competition, and legal, governmental and regulatory changes. The forward-looking statements reflect the current views of Management on future trends and developments.

This presentation should be read in conjunction with the joint announcement released by Keppel Corporation Limited and Sembcorp Marine Ltd on 27 April 2022 in relation to the proposed combination of Keppel Offshore & Marine Ltd and Sembcorp Marine Ltd (the "Joint Announcement" and such combination, the "Proposed Combination") and the announcement released by Keppel Corporation Limited on 27 April 2022 in relation to the Proposed Combination (the "Keppel Announcement"). Copies of the Joint Announcement and the Keppel Announcement are available on the website of the SGX-ST at http://www.sgx.com.

The presentation is qualified in its entirety by, and should be read in conjunction with, the full text of the Joint Announcement and the Keppel Announcement. In the event of any inconsistency or conflict between the Joint Announcement and the Keppel Announcement on one hand and the information contained in this presentation on the other, the Joint Announcement and the Keppel Announcement shall prevail.